

**Testimony of Jennifer Greuel, NDANO Executive Director
In Support of ARPA Funds for Nonprofit Relief
Tuesday, Oct. 12, 2021**

Chair Holmberg and Members of the Committee, my name is Jennifer Greuel, and I am the executive director of the North Dakota Association of Nonprofit Organizations (NDANO). I writing in support of using ARPA funding for nonprofit relief.

NDANO is the statewide membership association for the North Dakota nonprofit sector. Our members work in all mission areas, from human services and the environment to education and the arts, and represent all sizes, from small volunteer-run nonprofits to multi-million-dollar organizations, in all corners of the state. NDANO educates, advocates and connects to strengthen nonprofits.

The proposed \$5 million in ARPA funding could be distributed by the ND Department of Commerce or another appropriate entity serving all nonprofit subsectors in amounts between \$10,000-\$75,000 for nonprofits to access in order to replace lost COVID-19 revenue and/or address community development and quality of life issues within the state.

The North Dakota nonprofit sector strengthens the economy as employers and contributors to the state gross domestic product; improves communities through critical mission work in arts and culture, education, the environment, health care, human services, religion, and more; and engages diverse stakeholders to address vital issues. In North Dakota, 15% of the private sector is employed by a nonprofit, or 54,000 jobs, meaning more North Dakotans are employed by a nonprofit as make up the entire population of Minot. Nonprofits touch the lives of every North Dakotan throughout their entire lifetime.

North Dakota's nonprofit sector represents a diversity of organizations, but all are united around one purpose: to advance the common good. This is the commitment we share with government. Nonprofits are critical partners with government in ensuring the prosperity and vitality of our state and people.

Nonprofits are uniquely situated to use innovative methods to address community issues such as mental health, addiction, and quality of life through arts, music, recreational programming, and much more. Funding in North Dakota is often limited, with few foundations serving the area. ARPA funds offer an opportunity for ND nonprofits to finally be able to address some of the issues facing our state in new, innovative ways.

Many nonprofits have had limited access to COVID-relief funds, with various obstacles in the way, including the way PPP-eligibility was established through decreased receipts instead of decreased revenue. ARPA funding would be an ideal way to replace lost revenue for nonprofits.

Demonstrating the need resulting from COVID-19, in a June 2020 survey of North Dakota nonprofits, 92% of nonprofits surveyed reported the pandemic had a moderate or high impact on their events and 75% reported a moderate or high impact on fundraising. About half of those surveyed reported a decline of over 10% in revenue. A December 2020 survey of ND and MN nonprofits found about half of nonprofits had held a virtual fundraiser but 43% of those reported their virtual fundraising events raised significantly less than in person events. Of nonprofits surveyed, 41% reported losing more than \$25,000 in revenue in 2020 and 75% reported an increased demand on services during the pandemic.

Thank you for the opportunity to express our support for ARPA funds to be used to address vital nonprofit needs and for your commitment to serving North Dakota's communities.